

VZCZCXYZ0001
RR RUEHWEB

DE RUEHMU #0235/01 0641533
ZNR UUUUU ZZH
R 051533Z MAR 09
FM AMEMBASSY MANAGUA
TO RUEHC/SECSTATE WASHDC 3830
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE

UNCLAS MANAGUA 000235

STATE FOR WHA/CEN, EB/IFD/OIA, AND L/CID
STATE ALSO FOR WHA/EPSC
STATE PASS TO USTR
TREASURY FOR INL AND OWH

SIPDIS
SENSITIVE

E.O. 12958: N/A
TAGS: [EINV](#) [ECON](#) [USTR](#) [KIDE](#) [NU](#)
SUBJECT: NICARAGUA: LAND INVASIONS AFFECT U.S. CITIZENS

REF: 08 MANAGUA 698

SUMMARY

1. (SBU) Since November 2008, 12 U.S. citizen landowners have contacted us to seek assistance in dealing with land invasions that they believe are either orchestrated or indirectly supported by the GON. Individuals or groups related to the Sandinista National Liberation Front (FSLN) have been directly involved in some invasions. President Daniel Ortega has been sending mixed messages on property rights. On the one hand, he has ordered the Nicaraguan National Police not to remove squatters; on other hand, he has said that his government will not tolerate land invasions. As more U.S. proprietors encounter problems with land invasions, many are looking to leave. End Summary.

GON GOING AFTER U.S. PROPERTY

2. (SBU) Since November 2008, 12 U.S. citizen landowners have contacted us to seek assistance in dealing with land invasions that they believe are either orchestrated or indirectly supported by the GON. Several U.S. proprietors think that the government is sending squatters to force a sale or a transfer of the property. Individuals or groups affiliated with the FSLN, such as the Citizen Power Councils (CPCs), have been directly involved in some of the land invasions. FSLN involvement almost always freezes any kind of a response by local law enforcement officials. In March 2008, for example, U.S. citizen Rex Bennett reported that he filed a lawsuit against Diomedes Diaz, reportedly an FSLN land trafficker, who took Mr. Bennett's property in the Department of Carazo at gunpoint (reftel). The Carazo District Court has yet to consider the case while some municipal officials have hinted at bribes before involving themselves.

3. (SBU) In another case, a local CPC organized squatters to invade the property of U.S. citizen Maria Violeta Gonzalez (reftel). She told us that when she met with Attorney General Hernan Estrada on November 3, 2008, he said that there was not anything he could do. Later that week, however, an FSLN official contacted her to negotiate a cash settlement on behalf of the squatters.

MIXED MESSAGES FROM ORTEGA

4. (SBU) In the meantime, President Ortega has been sending mixed messages. On the one hand, he orders law enforcement officials not to remove squatters. On May 1, 2007, for instance, he ordered the police not to remove squatters, "even when a judge issues an eviction order." On June 28, 2008, he stated that "property owners should seek bonds as compensation when squatters refuse to leave."

Donald Gordillo (please protect), a U.S. citizen claimant who has two court orders to remove squatters from his property, reports that Sandinista Supreme Court Justice Rafael Solis told him that no judge would approve the eviction of squatters in the run-up to the November 9, 2008, municipal elections; anybody attempting to remove the squatters would be arrested. On the other hand, Ortega said in a meeting with private industry on October 7, 2008, that he would not tolerate land invasions, a commitment reaffirmed by Attorney General Estrada. When pressed to take action, however, Estrada defers to the courts and law enforcement officials.

SUMMARY OF RECENT LAND INVASIONS

17. (U) Following is a summary often of the twelve recent land invasions against U.S. citizen property that we are monitoring. We are still collecting information on two other land invasions,

NEVARDO ARGUELLO

In early November 2008, 50 squatters invaded Nevardo Arguello's 470-acre property located near Managua. They cut trees to build shacks and other facilities. Mr. Arguello had filed a suit to have the agrarian reform title issued in 1987 for 273 acres of his property declared illegal since the new owner never took possession of the property as required by law.

AURA BETETA

On December 16, 2008, Mrs. Beteta reported that five men invaded her property in Managua. She believes that this group is linked to the FSLN. Mrs. Beteta said she contacted Bayardo Arce, Economic Advisor to President Ortega, to help in removing the men from the property.

STEVEN SALK

On December 22, 2008, Dr. Salk (nephew of Jonas Salk of the polio vaccine) reported that a group of armed individuals invaded his farm in Granada near the Mombacho National Park. He has owned the farm since 1990 but spends most of his time in California. Dr. Salk believes that he has good relations with the community because he provides milk and bread to local schools. The armed squatters, claiming to be Sandinistas acting with the approval of the GON, forced the groundskeeper to leave so they could take control of the property. Believing that the GON was sensitive to negative publicity about the investment climate, Dr. Salk instructed his lawyer to go public about the land invasion. The result has been that the police seem more willing to act, though the judge has still not issued an eviction order. Dr. Salk has come to believe that the judge and some municipal officials are involved in a land-trafficking mafia.

LYDIA HERDOCIA

On December 26, 2008, 150 squatters invaded the 1.73 acre property of Ms. Herdocia's family in the city of Leon. Ms. Herdocia understands that the squatters are composed of members of the local CPC. Ms. Herdocia has contacted the police on several occasions to request the removal of the squatters, but the police will not act without an eviction order from the court. The squatters have built shacks, cement walls, and small structures on the property. On January 27, 2008, Mayor of Leon Manuel Calderon (FSLN) pledged to help the Herdocia family.

TERAN ICAZA FAMILY

On January 16, three sisters of the Teran Icaza family reported that a group of squatters invaded their property in Salinas Grandes, a town located in the department of Leon in western Nicaragua. The Attorney General's Office claims that the property is owned by the state. The squatters claim ownership based on titles issued by the municipality and have attempted to sell undeveloped lots to

interested buyers. The family has filed suit against the municipality. The police will not remove anybody from the property until the court clarifies who is the legitimate owner.

ABOHASSEN FAMILY

On January 21, the Abohassen family contacted the Embassy to report squatters on their property outside the city of Leon. The Abohassens have been in a longstanding dispute with the Nicaraguan Army over ownership of 100 acres of land. The family believes that the Army and the municipality are behind the invasions. The Abohassens have filed a suit to defend their rights but are willing to negotiate to find a solution. The Embassy has written several letters to request a meeting for the Abohassen family with Nicaraguan military officials. The Army has not responded to our letters.

MIGUEL ANGEL ARGUELLO

On January 23, Mr. Arguello requested Embassy assistance for his property dispute with the GON over beachfront property in Tola Municipality and land invasions. Mr. Arguello has filed a lawsuit against the Attorney General's Office because it registered 70 manzanas (121 acres) of his property as state-owned land. In late December 2008, several families with agrarian reform titles issued by Property Superintendant Yara Perez began to take over his property. Mr. Arguello believes the GON is orchestrating these invasions.

JOSE WONG

On January 27, Mr. Wong contacted the Embassy's Property Office to seek our assistance in helping remove squatters who invaded his property in Chinandega, a city in western Nicaragua. Mr. Wong said the squatters have destroyed certain areas of his property and threatened his family. He has filed complaints with municipal officials and the police, but he has not received any assistance. Mr. Wong believes that the squatters are affiliated with the FSLN.

OSCAR LOPEZ

On February 6, Mr. Lopez reported that the GON may be assisting a group of squatters with whom he has had ongoing problems since January 2008. On February 2, he observed surveyors from the Office of the Property Superintendant measuring his land and fears that the GON will grant illegal titles to the squatters. To resolve this matter and avoid further problems, Mr. Lopez said he is willing to relocate the squatters to another area and give them titles, but he would prefer that the GON remove them.

MOHAMMED SHAFEEK

On February 13, Mr. Shafeek reported that squatters had invaded his property in Managua. The squatters claimed ownership of the property based on agrarian reform titles issued by the Office of the Property Superintendant. Mr. Shafeek is seeking a court order to remove the squatters.

COMMENT

19. (SBU) Several U.S. landowners believe that the government is acquiring prime real estate by sending squatters to force a sale or a transfer of the property. They assert that President Ortega is on the hook with political supporters throughout the country to deliver on promises of land. However, it may be the case that individuals or groups affiliated with the FSLN are acting on their own initiative without taking instructions from Ortega. As more U.S. citizens encounter problems protecting their properties against land invasions, many look to sell and leave the country. Despite assertions that the GON is doing all it can to defend property rights, few officials seem willing to take action. The fact that the FSLN has prevailed in the municipal elections and controls most

committees in the National Assembly only seems to have made matters worse. The FSLN is filling the power vacuum and the checks and balances are disappearing. End Summary.

CALLAHAN